

Commonwealth of Kentucky
Personnel Cabinet

Health Insurance Program Monthly Report



Prepared for

Kentucky Group Health Insurance
Board Members

August 2008

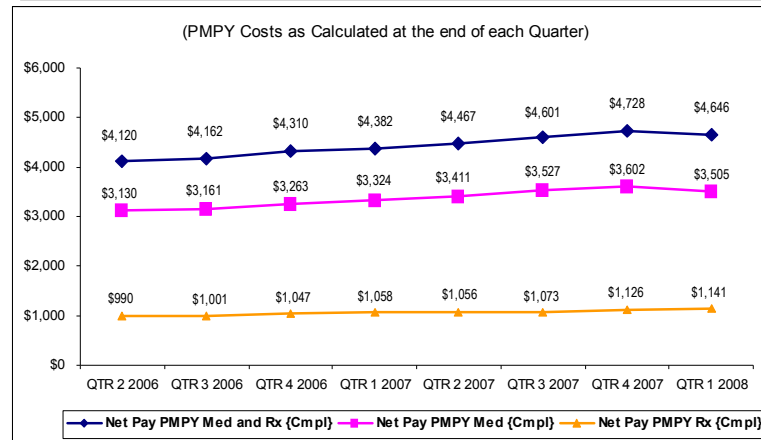
DASHBOARD REPORT: BASED ON INCURRED CLAIMS

Includes Projections for Incurred, but Not yet Reported Claims (IBNR or CMPL)

Enrollment

Fact	Mar 2007 - Feb 2008	Mar 2006 - Feb 2007	% Change
Employees Avg Med	151,450	147,334	2.80%
Members Avg Med	246,047	237,385	3.60%
Family Size Avg	1.6	1.6	0.80%
Member Age Avg	36.5	37.6	-3.00%

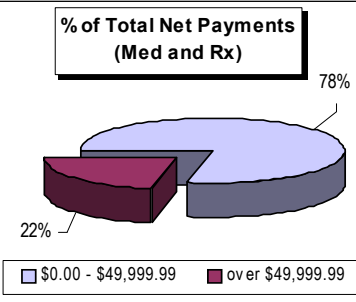
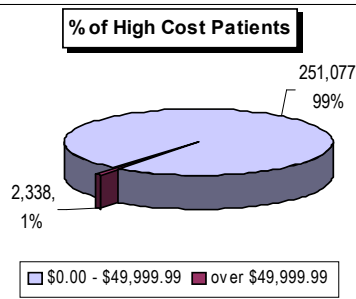
Net Incurred Claims Cost Per Member



Allowed Claims Costs PMPY with Norms

	Apr 2006 - Mar 2007	Apr 2007 - Mar 2008	Trend	Recent US Norm	Comp to Norm
Allow Amt PMPY Med {Cmpl}	\$3,650.41	\$3,947.18	8%	\$3,595.84	8.90%
Allow Amt PMPY IP Acute {Cmpl}	\$1,038.12	\$1,086.91	5%	N/A	N/A
Allow Amt PMPY OP Med {Cmpl}	\$2,600.93	\$2,849.87	10%	\$2,446.51	14.15%
Allow Amt PMPY OP Fac Med {Cmpl}	\$1,104.44	\$1,341.65	21%	N/A	N/A
Allow Amt PMPY Office Med {Cmpl}	\$911.01	\$988.82	9%	\$0.00	N/A
Allow Amt PMPY OP Lab {Cmpl}	\$226.83	\$245.69	8%	\$0.00	N/A
Allow Amt PMPY OP Rad {Cmpl}	\$451.54	\$492.39	9%	\$0.00	N/A
Out of Pocket PMPY Med {Cmpl}	\$327.34	\$340.09	4%	\$650.36	-91.23%
Allow Amt PMPY Rx {Cmpl}	\$1,241.20	\$1,310.74	6%	\$1,009.57	22.98%
Out of Pocket PMPY Rx {Cmpl}	\$215.24	\$205.37	-5%	\$0.00	N/A

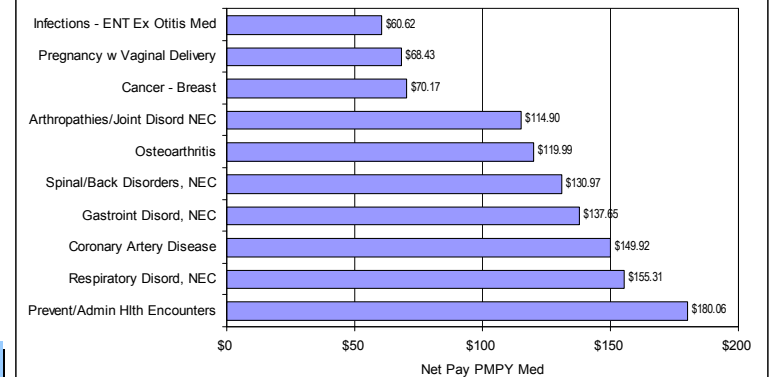
High Cost Claimants March 07 - February 08



Prescription Drug Programs

	Fact	Apr 2006 - Mar 2007	Apr 2007 - Mar 2008	% Change
Mail Order	Discount Off AWP % Rx	34.32%	36.86%	7.39%
	Scripts Generic Efficiency Rx	91.26%	90.88%	-0.42%
Retail	Discount Off AWP % Rx	34.76%	37.64%	8.29%
	Scripts Generic Efficiency Rx	94.42%	93.65%	-0.82%
Total	Discount Off AWP % Rx	34.70%	37.52%	8.12%
	Scripts Generic Efficiency Rx	94.30%	93.50%	-0.85%
	Scripts Maint Rx % Mail Order	6.10%	7.83%	28.33%

Top 10 Clinical Conditions



Cost Drivers Support

Fact	Apr 2006 - Mar 2007	Apr 2007 - Mar 2008	% Change
Allow Amt Per Day Adm Acute	\$2,856.80	\$3,091.52	8.22%
Days Per 1000 Adm Acute	349.11	340.36	-2.50%
Allow Amt Per Visit OP Fac Med	\$654.96	\$746.55	13.98%
Visits Per 1000 OP Fac Med	1,686.25	1,781.32	5.64%
Allow Amt Per Visit Office Med	\$109.34	\$114.47	4.70%
Visits Per 1000 Office Med	8,331.82	8,550.61	2.63%
Allow Amt Per Day Supply Rx	\$2.22	\$2.25	1.40%
Days Supply PMPY Rx	559.02	582.11	4.13%

Cost Drivers—Utilization and Price Trends

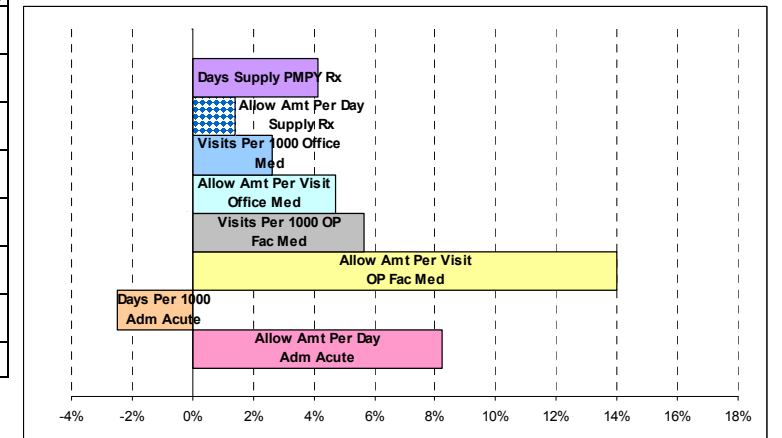


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Introduction

The Department of Employee Insurance (DEI) is pleased to provide an analysis of the Kentucky Employees Health Plan. In response to requests for data analysis, this report has been prepared to provide information related to enrollment, claims payment, and utilization.

It is the Department's intent to update this information on a monthly basis in an effort to provide current information about Kentucky's Health Insurance Program.

Overview

This report is compiled using Medstat, which is DEI's health insurance information management system. Medstat warehouses enrollment and claims data. Enrollment data is provided by DEI while claims data is provided by each carrier and/or TPA.

Claims information may be analyzed by either "incurred" or "paid" dates. "Incurred" reports specify paid amounts for claims that were incurred in a specified timeframe. Due to the lag time in submittal and payment of claims, historical reports that are based on incurred claims may change significantly with each new database update since additional incurred claims will be added. "Paid" claims reports specify the paid amount for claims regardless of when the claims may have been incurred. Unless otherwise specified, data contained in this report are based on "incurred" claims.

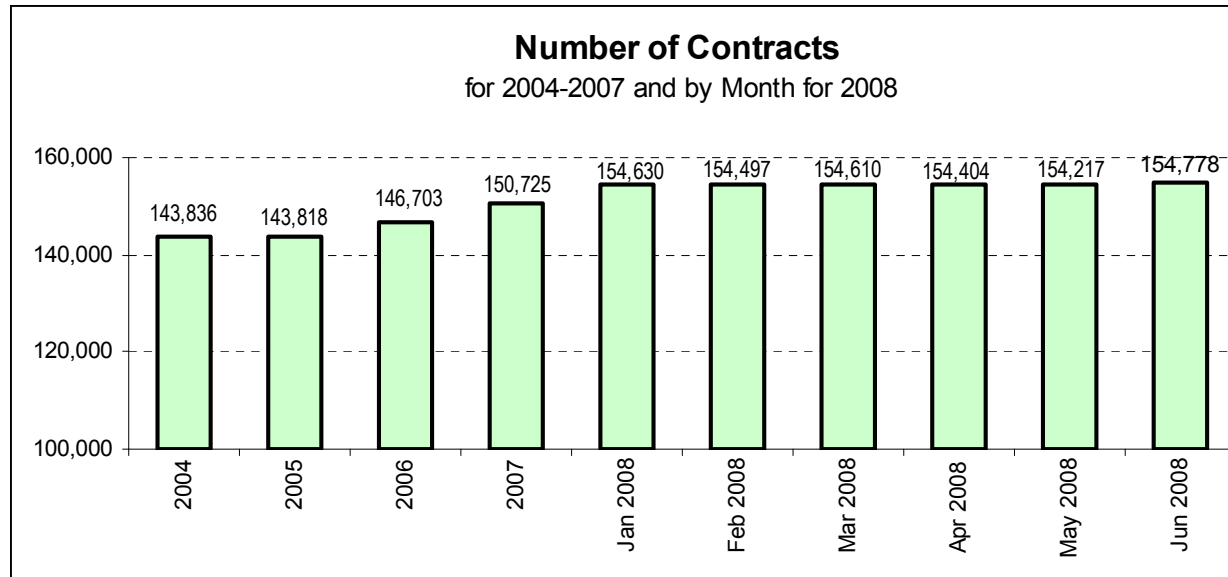
Enrollment in the KEHP changes on a daily basis due to a variety of reasons such as: new hires, adding dependents, dropping dependents, marriage, divorce, becoming Medicare eligible, etc. Therefore, Medstat is dealing with a fluid enrollment base. Also, each carrier processes claims slightly differently. During 2006 Medstat processed enrollment information for a total of **258,809** members as well as **7,973,124** claims (3,96,007 Medical claims and 4,584,166 prescriptions) from different carriers. When dealing with such large numbers it is impossible to tag every claim to a corresponding group, carrier, service type, etc. While the tagging rate for the KEHP data exceeds 99%, you may still see information on reports stated as "~Missing". This indicates any enrollment or claims that could not be "tagged" by Medstat.

Definitions

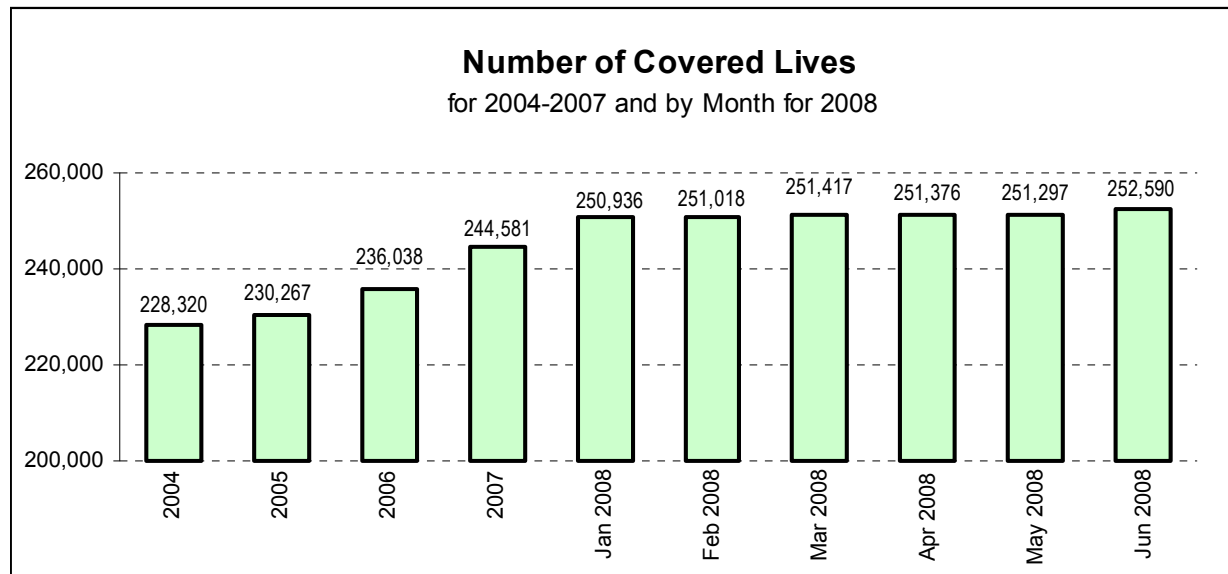
- **Employee** represents an individual eligible to participate in KEHP as a retiree in either KTRS or KRS, or by being employed by one of the agencies that participate with KEHP (example: state employee, school boards, Quasi agency, etc.). Employee may also be referred to as “planholder” or “contracts”. Please note that Medstat deals with Cross-reference plans uniquely. Although there are in fact two “employees” Medstat can only designate the planholder as an employee. Therefore, the cross-referenced spouse is considered a dependent and all claims and utilization data related to them is counted as a “member”.
- **Member** includes all employees plus any dependents that are covered through the KEHP. Members may also be referred to as “covered lives”.
- **Group** is Kentucky Retirement System (KRS), Kentucky Teachers Retirement System (KTRS), State Employees, School Boards, or Other (includes: COBRA, Health Departments, KCTCS, Quasi/Local Governments).
- **Plan** is Commonwealth Essential, Commonwealth Enhanced, Commonwealth Premier, Commonwealth Select, HMO Option A, HMO Option B, POS Option A, POS Option B, PPO Option A, PPO Option B, or EPO Option C.
- **Carrier** may be Aetna, Anthem, Bluegrass Family Health, CHA Health, United Healthcare, or Humana (please note that Express Scripts data is designated as Humana).
- **Generic Efficiency** means the number of prescriptions that are filled with a generic product as a percentage of the total number of prescriptions where a generic is available.
- **OOP** is the amount paid out-of-pocket by the member for facility, professional, and prescription drug services. This generally includes coinsurance, co-payment, and deductible amounts.
- **Allowed Amount** is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.
- **Net Payment** is the net amount paid for all claims. It represents the amount after all pricing guidelines have been applied, and all third party, co-payment, coinsurance, and deductible amounts have been subtracted.
- **Patients** is the unique count of members who received facility, professional, or pharmacy services.
- **Days Supply** is the number of days for which drugs were supplied for prescriptions filled. It represents the number of days of drug therapy covered by a prescription.
- **Mail Order** is computed as any script filled with a “days supply” of more than 30 days, regardless of the physical location where the prescription was filled.
- **Retail** is computed as any script filled with a “days supply” of 30 days or less, regardless of the physical location where the prescription was filled.

Enrollment

The following chart show planholder enrollment (contracts) for 2004-2007 and monthly year-to-date for 2008. Enrollment will fluctuate on a monthly basis. (Approximately 7,500 cross-referenced spouses in any given month are not included)

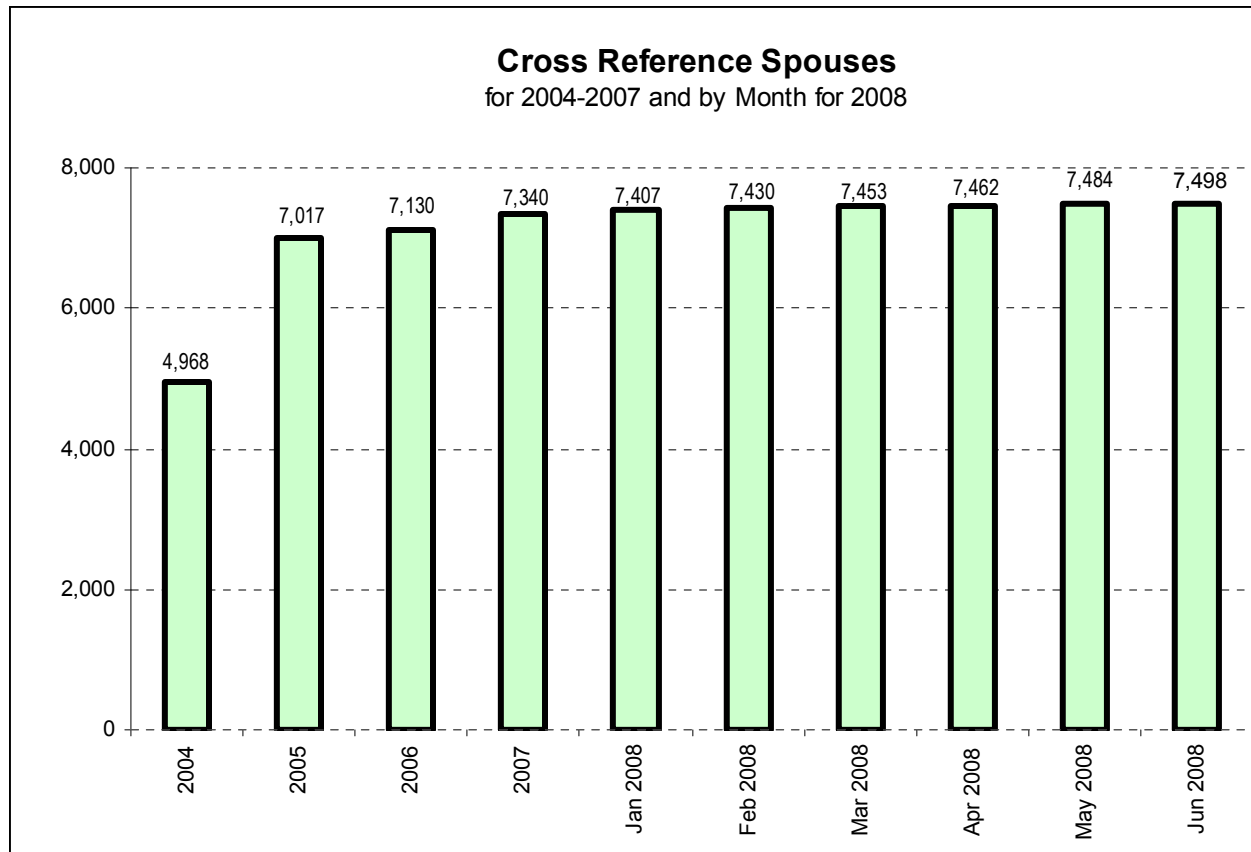


The following chart show member enrollment (covered lives) for 2004-2007 and monthly year-to-date for 2008. Enrollment will fluctuate on a monthly basis.



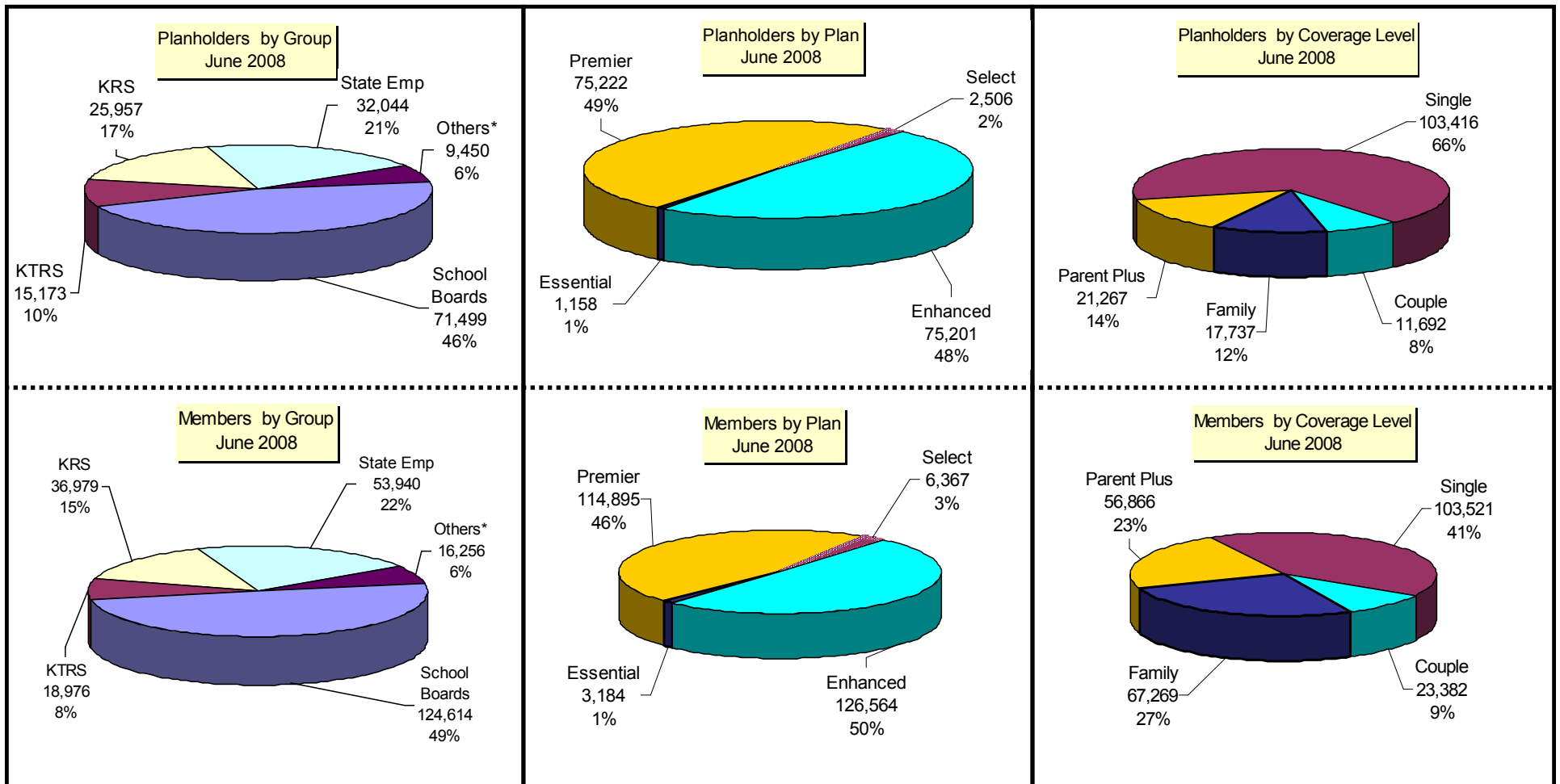
Enrollment *(continued)*

The following graph shows the number of cross-reference spouses for 2004-2007 and monthly year-to-date for 2008. The number of Cross Referenced Spouses will fluctuate on a monthly basis.



Enrollment *(continued)*

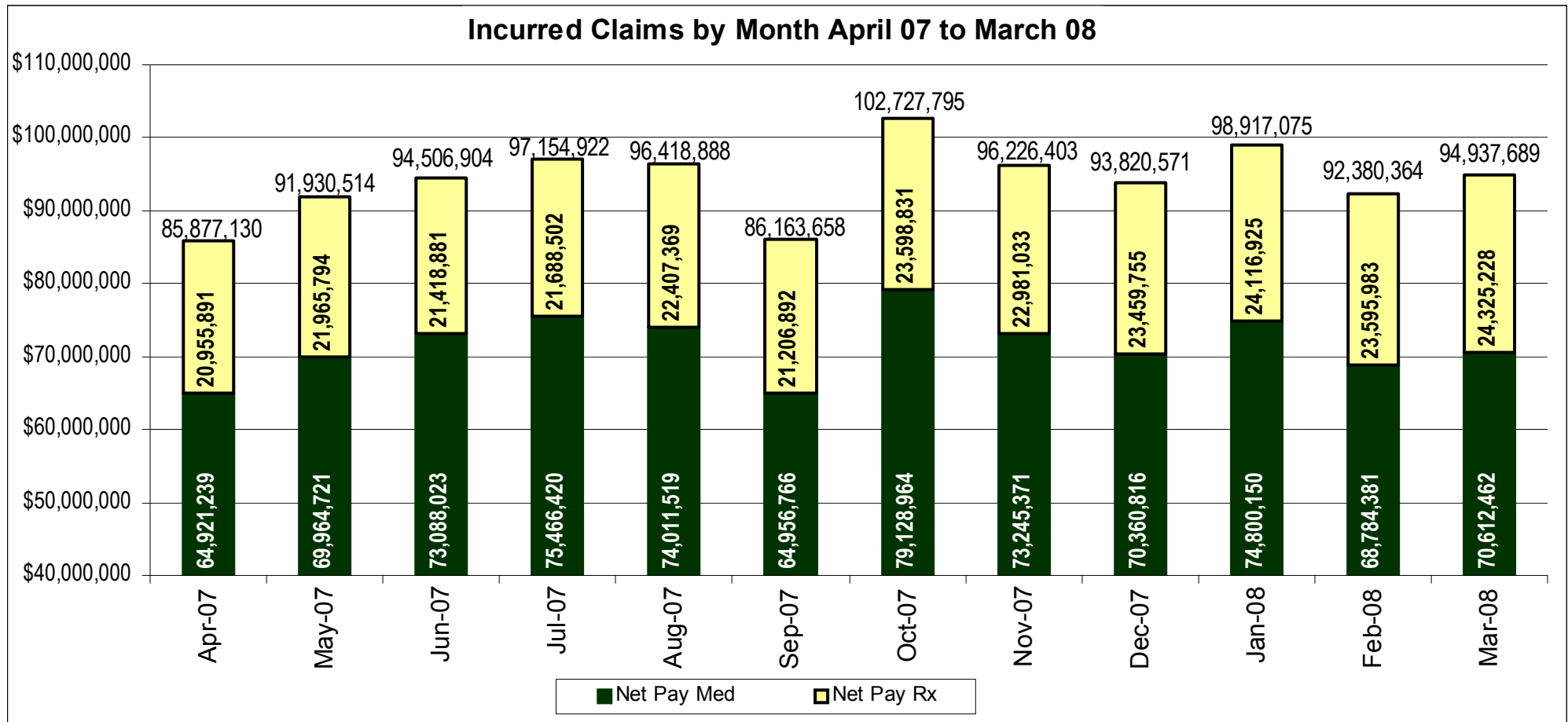
The following charts show Planholder and Member enrollment by group, plan, and coverage level.



* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

Claims Costs

Claims costs include Medical and Prescription (Rx) for the most recent rolling year. Based on Incurred Claims.



Claims Costs *(continued)*

The following tables represent **incurred** claims by **Group** for 2004 - 2007 and monthly year-to-date for 2008.

INCURRED MEDICAL CLAIMS (no Rx) by Group:

	School Boards	KTRS	KRS	State Employees	Others	Totals
2004	\$246,147,555	\$70,821,610	\$105,467,391	\$123,091,625	\$44,876,807	\$590,404,988
2005	\$258,765,695	\$80,441,575	\$122,087,491	\$127,048,597	\$43,800,319	\$632,143,678
2006	\$304,843,992	\$93,096,534	\$145,251,062	\$150,229,660	\$47,886,597	\$741,307,846
2007	\$359,868,602	\$104,237,690	\$168,849,226	\$158,759,598	\$55,151,762	\$846,866,878
Jan-08	\$30,917,919	\$9,434,412	\$16,112,798	\$13,415,509	\$4,919,511	\$74,800,150
Feb-08	\$29,227,882	\$8,326,992	\$13,800,632	\$12,520,557	\$4,908,318	\$68,784,381
Mar-08	\$29,804,629	\$7,880,847	\$14,676,831	\$13,271,399	\$4,978,755	\$70,612,462

INCURRED Rx CLAIMS (no Med) by Group:

	School Boards	KTRS	KRS	State Employees	Others	Totals
2004	\$65,369,460	\$24,608,695	\$34,687,723	\$32,464,692	\$11,366,382	\$168,496,952
2005	\$69,902,366	\$27,093,871	\$39,707,393	\$34,313,121	\$11,808,579	\$182,825,330
2006	\$92,684,426	\$35,017,451	\$53,084,690	\$42,883,289	\$13,460,955	\$237,130,810
2007	\$102,808,629	\$37,891,406	\$61,595,437	\$46,107,072	\$15,384,815	\$263,787,359
Jan-08	\$9,306,822	\$3,428,729	\$5,804,062	\$4,162,842	\$1,414,470	\$24,116,925
Feb-08	\$9,243,112	\$3,280,074	\$5,501,456	\$4,198,764	\$1,372,577	\$23,595,983
Mar-08	\$9,559,455	\$3,365,190	\$5,706,172	\$4,274,080	\$1,420,331	\$24,325,228

* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

Claims Costs *(continued)*

The following tables represent **incurred** claims by **Plan** for 2004-2007 and monthly year-to-date for 2008.

INCURRED MEDICAL CLAIMS (no Rx) by PLAN:

Commonwealth										
Time Period	Enhanced	Essential	Premiere	Select	Old HMO Products	Old POS Products	Old PPO Products	Old EPO Products	Missing*	Total
2004	\$252,667	\$96,285	\$420,830	\$0	\$212,909,645	\$40,885,382	\$325,224,613	\$5,524,470	\$5,091,095	\$590,404,987
2005	\$224,064,043	\$5,706,857	\$398,897,273	\$807	\$12,164	\$900	\$179,854	\$70	\$3,281,710	\$632,143,678
2006	\$285,673,240	\$5,365,453	\$446,100,893	\$2,399	\$0	\$0	\$0	\$0	\$4,165,861	\$741,307,846
2007	\$335,143,162	\$5,028,983	\$495,390,169	\$7,047,727	\$0	\$0	\$0	\$0	\$4,256,837	\$846,866,878
Jan-08	\$27,652,041	\$239,375	\$46,090,828	\$561,360	\$0	\$0	\$0	\$0	\$256,547	\$74,800,150
Feb-08	\$27,202,953	\$230,046	\$40,306,648	\$836,329	\$0	\$0	\$0	\$0	\$208,405	\$68,784,381
Mar-08	\$27,630,169	\$401,236	\$41,599,796	\$769,120	\$0	\$0	\$0	\$0	\$212,141	\$70,612,462

INCURRED Rx CLAIMS (no Med) by PLAN:

Commonwealth										
Time Period	Enhanced	Essential	Premiere	Select	Old HMO Products	Old POS Products	Old PPO Products	Old EPO Products	Missing*	Total
2004	\$53,616	\$2,484	\$77,187	\$0	\$58,944,733	\$13,448,392	\$94,468,015	\$678,460	\$824,066	\$168,496,953
2005	\$64,806,483	\$1,345,013	\$115,899,198	\$0	\$12,237	\$3,874	\$21,588	\$496	\$736,441	\$182,825,330
2006	\$86,167,847	\$1,164,651	\$148,795,324	\$0	\$0	\$0	\$0	\$0	\$1,002,988	\$237,130,810
2007	\$98,733,254	\$966,863	\$162,095,280	\$1,412,443	\$0	\$0	\$0	\$0	\$579,519	\$263,787,359
Jan-08	\$9,146,155	\$74,545	\$14,816,418	\$26,845	\$0	\$0	\$0	\$0	\$52,963	\$24,116,925
Feb-08	\$9,054,901	\$80,136	\$14,368,902	\$49,687	\$0	\$0	\$0	\$0	\$42,356	\$23,595,983
Mar-08	\$9,347,868	\$77,422	\$14,765,867	\$82,268	\$0	\$0	\$0	\$0	\$51,803	\$24,325,228

HMO = HMO Option A plus HMO Option B

POS = POS Option A plus POS Option B

PPO = PPO Option A plus PPO Option B

*Missing means the claims could not be tagged to a specific plan.

Claims Costs *(continued)*

The following represents **incurred medical claims only** (does not include Rx) by **Coverage Level** for 2004-2007 and monthly year-to-date for 2008.

INCURRED MEDICAL CLAIMS (no Rx) by Coverage Level:

Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$79,155,863	\$103,820,755	\$86,067,017	\$316,270,259	\$5,091,095	\$590,404,989
2005	\$87,259,924	\$118,831,621	\$89,302,093	\$333,467,938	\$3,282,102	\$632,143,678
2006	\$104,891,606	\$141,000,184	\$103,443,407	\$387,806,788	\$4,165,861	\$741,307,846
2007	\$123,421,451	\$158,802,610	\$116,937,615	\$443,448,365	\$4,256,837	\$846,866,878
Jan-08	\$11,318,430	\$13,471,887	\$10,205,934	\$39,547,351	\$256,547	\$74,800,150
Feb-08	\$9,921,690	\$13,023,513	\$10,014,568	\$35,616,205	\$208,405	\$68,784,381
Mar-08	\$10,255,452	\$12,891,507	\$9,698,140	\$37,555,222	\$212,141	\$70,612,462

The following represents **incurred Rx claims only** (does not include medical) by **Coverage Level** for 2004-2007 and monthly year-to-date for 2008.

INCURRED Rx CLAIMS (no Med) by Coverage Level:

Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$25,937,109	\$29,646,733	\$19,042,131	\$93,046,913	\$824,066	\$168,496,952
2005	\$28,909,182	\$34,191,722	\$19,160,269	\$99,827,438	\$736,720	\$182,825,330
2006	\$38,226,943	\$43,808,998	\$25,942,665	\$128,149,400	\$1,002,805	\$237,130,810
2007	\$42,592,994	\$49,268,757	\$29,725,284	\$141,620,832	\$579,492	\$263,787,359
Jan-08	\$3,935,040	\$4,410,587	\$2,780,892	\$12,937,443	\$52,963	\$24,116,925
Feb-08	\$3,835,567	\$4,369,162	\$2,854,304	\$12,494,592	\$42,356	\$23,595,983
Mar-08	\$3,910,278	\$4,466,894	\$2,846,476	\$13,049,777	\$51,803	\$24,325,228

**Unable to tag claims to a specific coverage level*

Medical Claims Utilization

The following is based on medical claims* (does not include Rx) incurred from April 2007 through March 2008.

Commonwealth Plan	Admits Per 1000 Acute	Admits Per 1000 Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days LOS Admit Acute	Days LOS Admit Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days Per 1000 Adm Acute	Days Per 1000 Adm Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}
Enhanced	70.05	73.42	-4.59%	3.66	3.86	-5.08%	256.37	297.61	-13.86%
Essential	51.08	63.26	-19.26%	3.12	4.43	-29.57%	159.47	258.58	-38.33%
Premier	103.95	80.09	29.79%	4.14	4.18	-0.85%	430.6	345.41	24.66%
Select	51.68	60.36	-14.38%	4.40	3.92	12.15%	227.14	234.91	-3.31%
Total	69.19	69.28	-0.13%	3.83	4.10	-6.53%	268.40	284.13	-5.54%

Commonwealth Plan	Visits Per 1000 Office Med	Visits Per 1000 Office Med {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Visits Per 1000 ER	Visits Per 1000 ER {Rcnt SGovt}	%Diff from {Rcnt SGovt}
Enhanced	7,904.90	7,052.61	12.08%	200.71	203.19	-1.22%
Essential	4,020.35	6,377.55	-36.96%	199.34	201.04	-0.85%
Premier	10,149.57	7,834.35	29.55%	243.71	201.24	21.10%
Select	5,658.66	6,170.27	-8.29%	145.47	201.38	-27.76%
Total	6,933.37	6,858.70	-0.91%	197.31	201.71	-2.18%

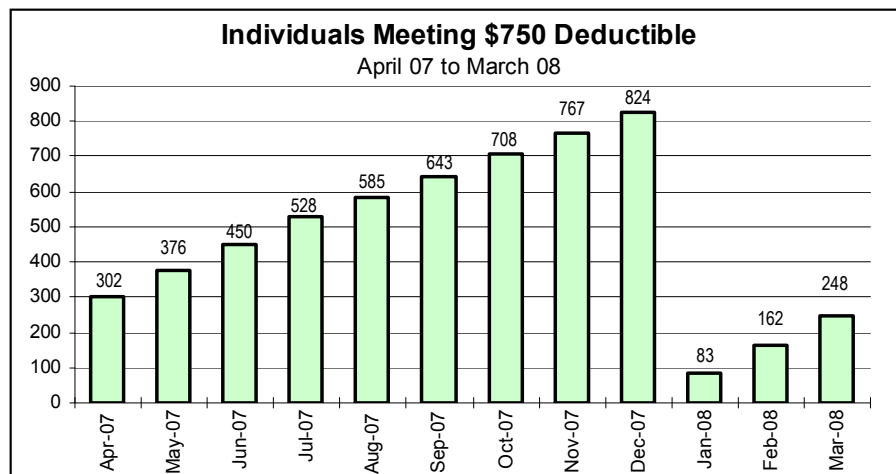
Commonwealth Plan	Svcs Per 1000 OP Lab	Svcs Per 1000 OP Lab {Rcnt US}	%Diff from {Rcnt US}	Svcs Per 1000 OP Rad	Svcs Per 1000 OP Rad {Rcnt US}	%Diff from {Rcnt US}
Enhanced	7,659.57	6,153.95	24.47%	2,526.57	2,071.23	21.98%
Essential	4,624.58	5,332.08	-13.27%	1,396.59	1,723.59	-18.97%
Premier	10,627.09	7,090.74	49.87%	3,659.31	2,521.84	45.10%
Select	5,294.34	4,983.33	6.24%	1,765.42	1,579.15	11.80%
Total	7,051.40	5,890.03	16.83%	2,336.97	1,973.95	14.98%

*Services are tracked by each service, not by each visit. Therefore, if two laboratory services are performed at one visit, it will count as two services.

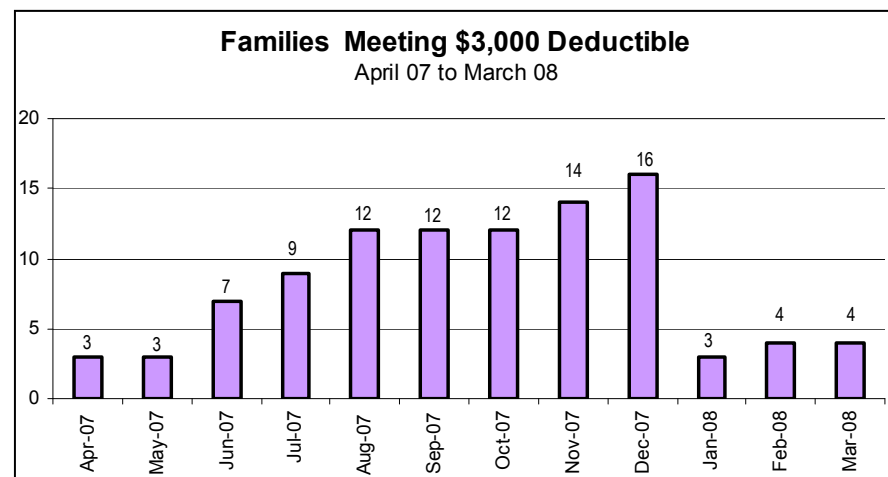
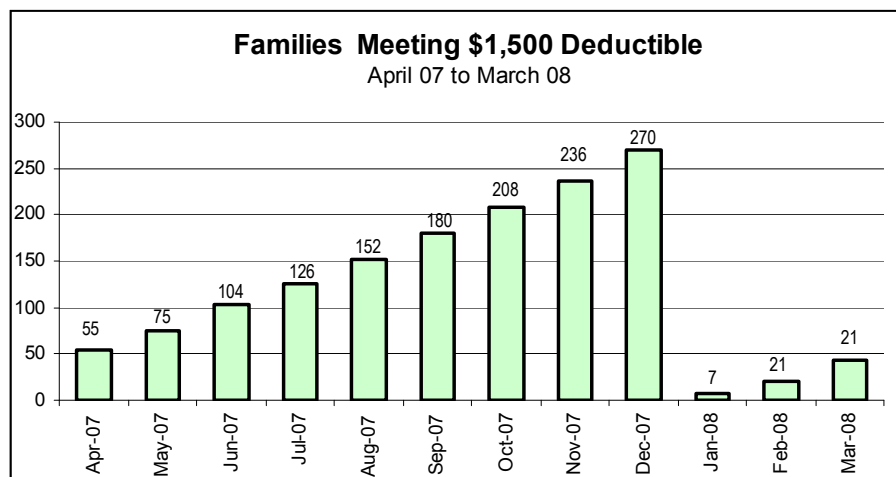
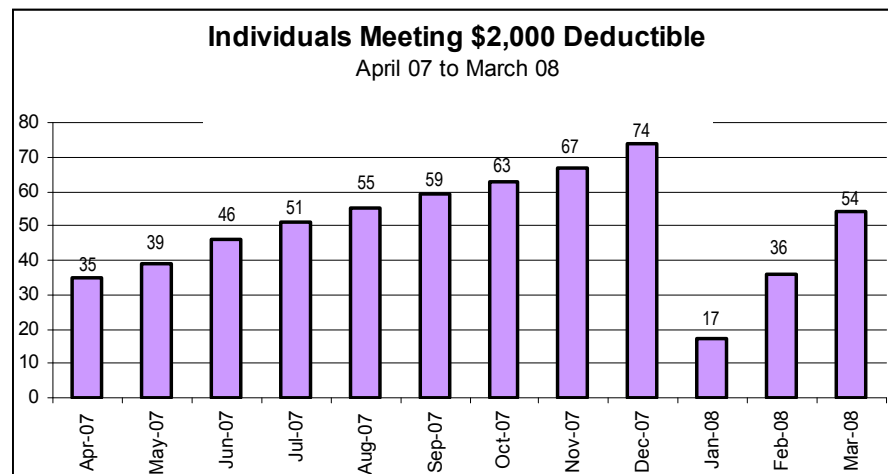
Analysis of Individuals and Families Meeting Their Deductibles

The following details the number of individuals and families by plan that met their deductible for the most recent rolling year. This report is based on incurred claims.

Commonwealth Essential



Commonwealth Select



Individuals and Families in Essential Plan			
2005:	18.63%	of Individuals and	11.45% of Families met their Deductibles.
2006:	22.14%	of Individuals and	16.35% of Families met their Deductibles.
2007	22.08%	of Individuals and	17.13% of Families met their Deductibles.
In 2008:	7.72%	of Individuals and	3.56% of Families met their Deductibles.

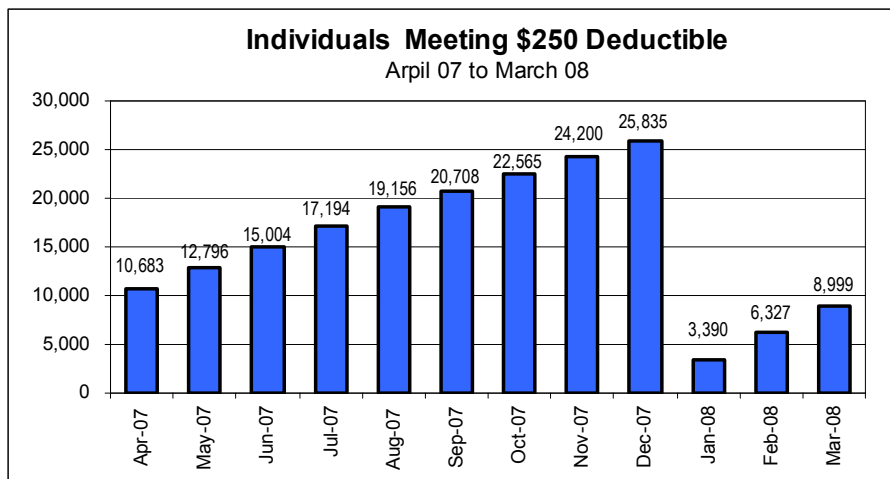
Individuals and Families in Select Plan			
2007:	1.64%	of Individuals and	0.73% of Families met their Deductibles.
In 2008:	0.57%	of Individuals and	0.16% of Families met their Deductibles.

Note: For the Select Plan only, prescription drug coinsurance amounts are included in MOP totals.

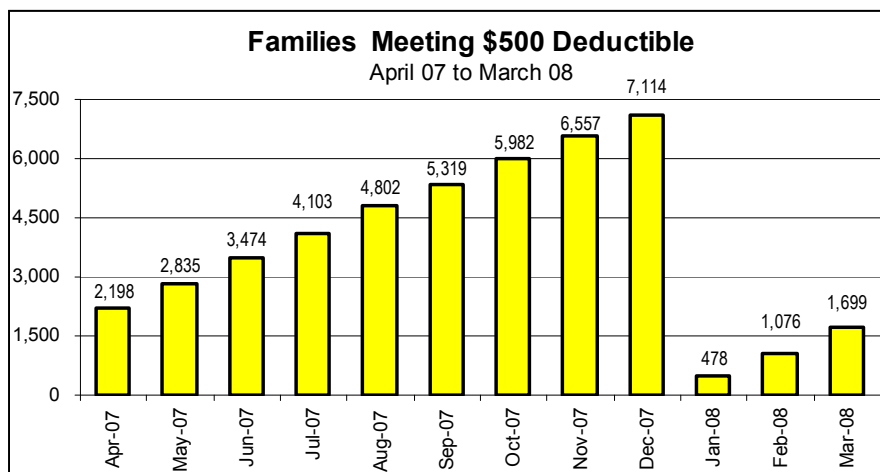
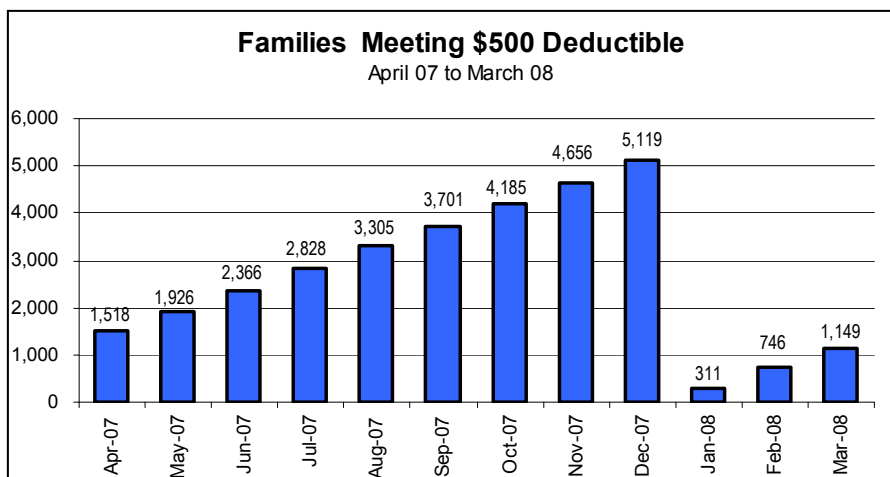
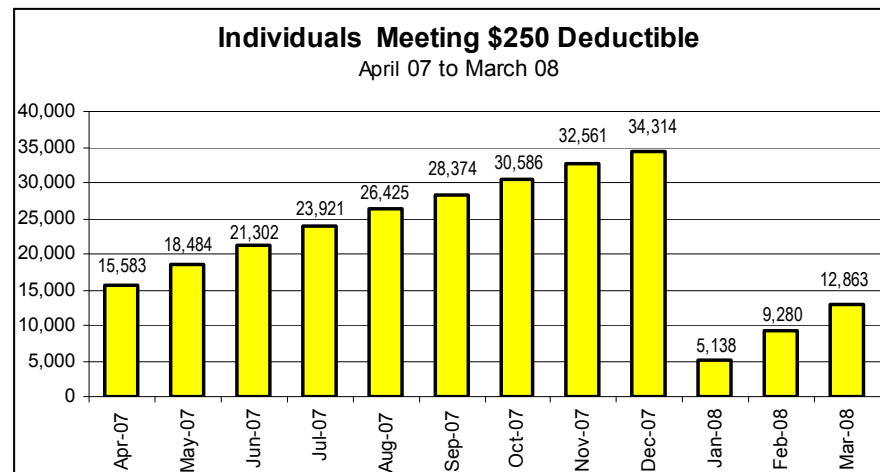
Analysis of Individuals and Families Meeting Their Deductibles (continued)

The following details the number of individuals and families by plan that met their deductible for the most recent rolling year. This report is based on incurred claims.

Commonwealth Enhanced



Commonwealth Premier



Individuals and Families In Enhanced Plan

2005:	19.36%	of Individuals and	4.59%	of Families met their Deductibles.
2006:	21.52%	of Individuals and	7.23%	of Families met their Deductibles.
2007:	21.24%	of Individuals and	6.36%	of Families met their Deductibles.
In 2008:	7.13%	of Individuals and	1.51%	of Families met their Deductibles.

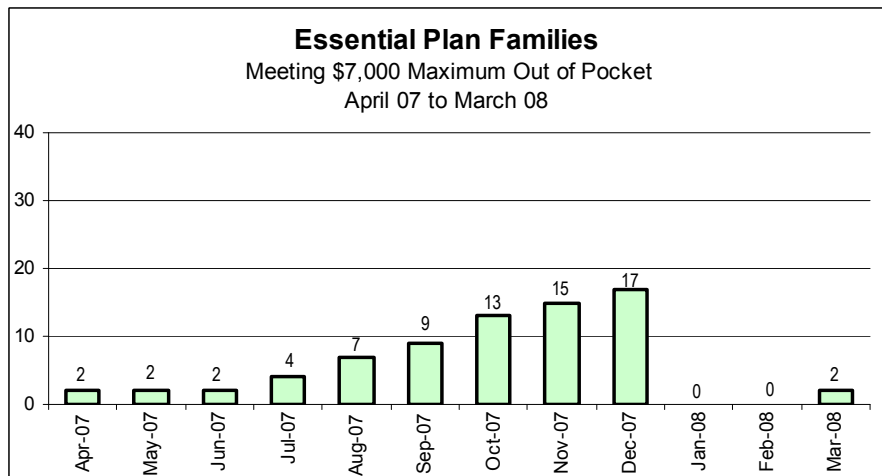
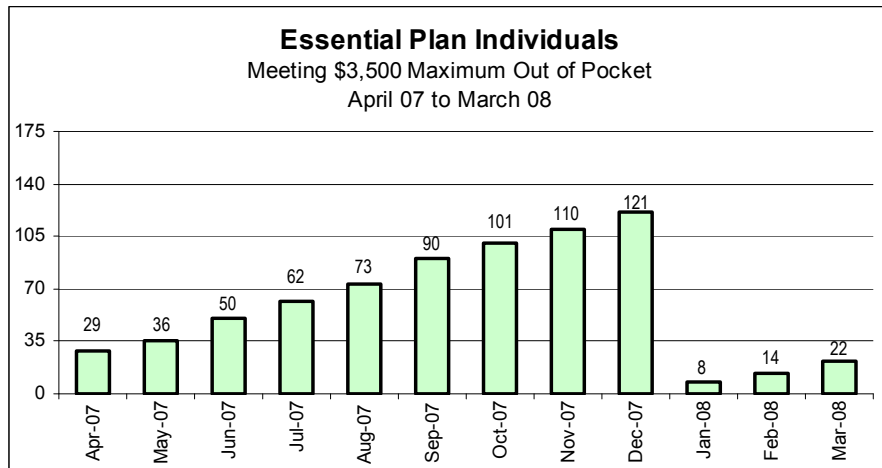
Individuals and Families In Premier Plan

2005:	27.80%	of Individuals and	6.65%	of Families met their Deductibles.
2006:	30.15%	of Individuals and	9.95%	of Families met their Deductibles.
2007:	29.92%	of Individuals and	8.78%	of Families met their Deductibles.
In 2008:	11.14%	of Individuals and	2.21%	of Families met their Deductibles.

Analysis of Individuals and Families Meeting Their Maximum Out of Pocket Expenses

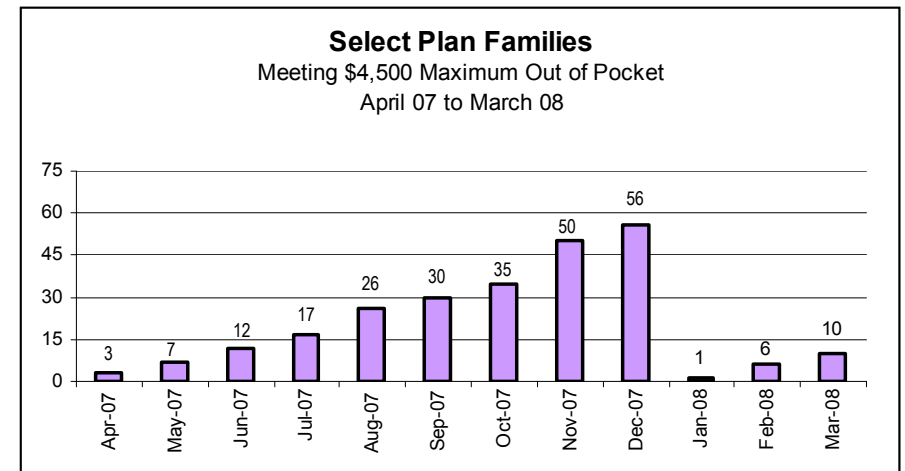
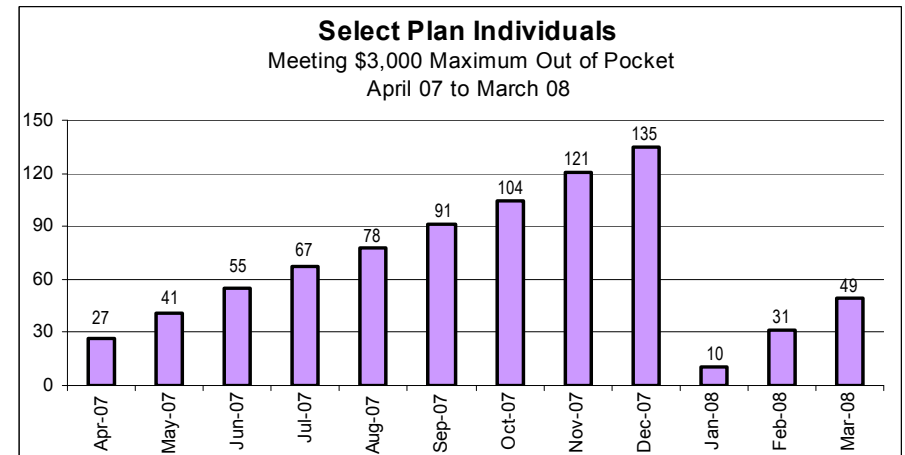
The following details the number of individuals and families by plan that met their maximum out of pocket expenses for the most recent rolling year. This report is based on incurred claims.

Commonwealth Essential



Individuals and Families in Essential Plan			
2005:	1.14%	of Individuals and	0.22% of Families met their MOPs.
2006:	2.96%	of Individuals and	1.08% of Families met their MOPs.
2007:	3.24%	of Individuals and	1.08% of Families met their MOPs.
In 2008:	0.69%	of Individuals and	0.17% of Families met their MOPs.

Commonwealth Select



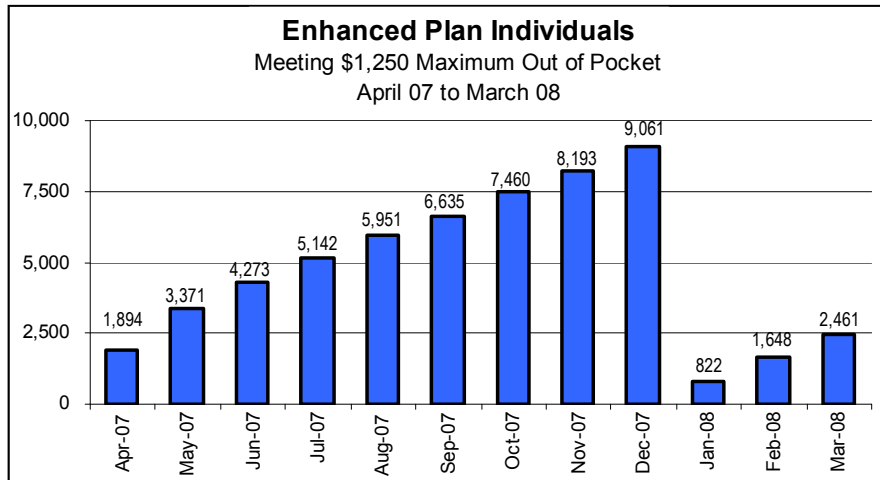
Individuals and Families in Select Plan			
2007:	2.99%	of Individuals and	2.56% of Families met their MOPs.
In 2008:	0.78%	of Individuals and	0.40% of Families met their MOPs.

Note: For the Select Plan only, prescription drug coinsurance amounts are included in MOP totals.

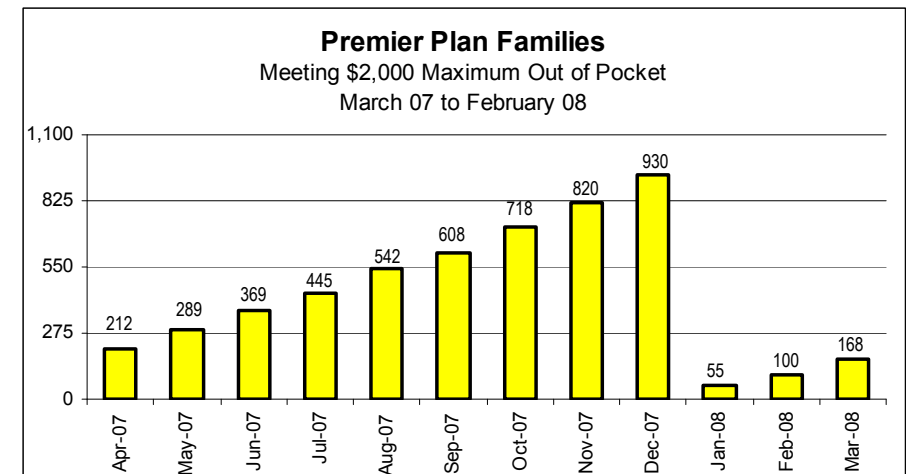
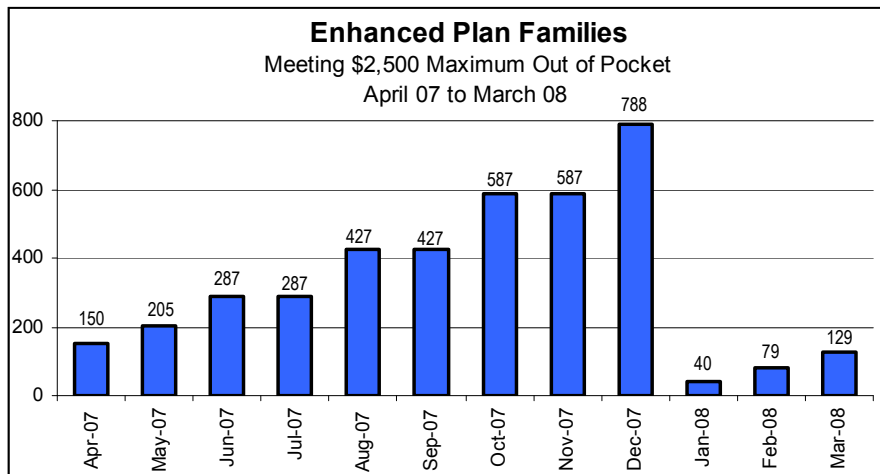
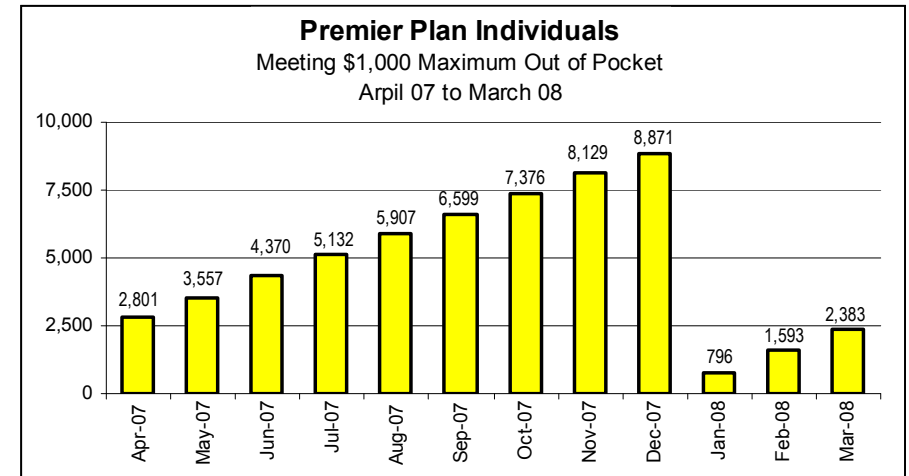
Analysis of Individuals and Families Meeting Their Maximum Out of Pocket Expenses *(continued)*

The following details the number of individuals and families by plan that met their maximum out of pocket expenses for the most recent rolling year. This report is based on incurred claims.

Commonwealth Enhanced



Commonwealth Premier



Individuals and Families In Enhanced Plan			
2005:	3.34%	of Individuals and	0.83% of Families met their MOPs.
2006:	5.79%	of Individuals and	0.94% of Families met their MOPs.
2007:	7.45%	of Individuals and	0.98% of Families met their MOPs.
In 2008:	1.31%	of Individuals and	0.10% of Families met their MOPs.

Individuals and Families In Premier Plan			
2005:	3.38%	of Individuals and	0.53% of Families met their MOPs.
2006:	6.70%	of Individuals and	1.17% of Families met their MOPs.
2007:	7.74%	of Individuals and	1.15% of Families met their MOPs.
In 2008:	2.06%	of Individuals and	0.22% of Families met their MOPs.

Premium (or Premium Equivalent)

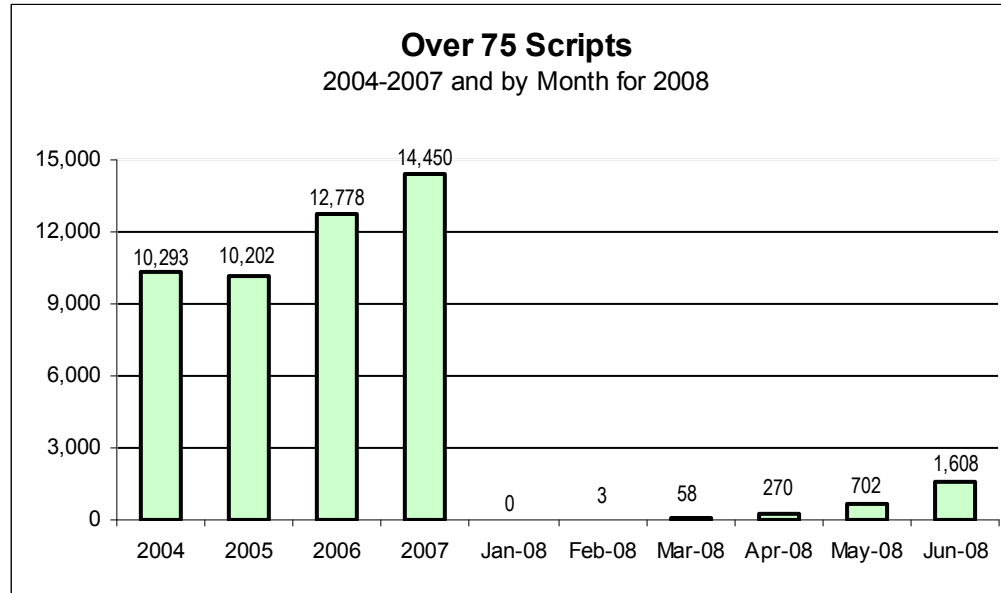
The following details the amount of premium* (or premium equivalent) paid by the employee and employer for 2004-2007 and monthly through 2008.

Time Period	Employee Premium Amount	Employer Premium Amount	Total Premium Amount
2004	\$213,004,714	\$492,025,888	\$705,030,602
2005	\$148,029,637	\$779,647,097	\$927,676,733
2006	\$153,787,780	\$948,458,338	\$1,102,246,118
2007	\$167,530,819	\$973,220,791	\$1,140,751,611
Jan-08	\$15,092,722	\$88,061,087	\$103,153,809
Feb-08	\$15,073,401	\$88,006,309	\$103,079,710
Mar-08	\$15,067,949	\$88,076,506	\$103,144,455
Apr-08	\$15,056,792	\$87,975,881	\$103,032,673
May-08	\$15,057,461	\$87,904,485	\$102,961,946
Jun-08	\$15,219,047	\$88,292,975	\$103,512,021

**Premium (or premium equivalent) is based on enrollment using published premium rates—it is NOT based on actual payments received.*

Prescription Drug Utilization

The following details the number of families that have purchased 75 scripts or more during 2004-2007 and by month for 2008. After a family has filled 75 prescriptions via retail purchase, the co-payment is reduced to \$10 for 2nd tier and \$20 for 3rd tier.



The table below summarizes plan impact for families regarding the scripts benefit in 2008:

Script Count, per Family	Number of Families	Number of Scripts	Avg. # of Scripts per Patient	Avg. Net Payment per Script	Net Payments For All Scripts
0 - 75	134,596	2,224,092	11.45	\$52.96	\$117,790,970.61
over 75	1,608	150,471	42.37	\$64.88	\$9,762,125.32
Total	136,204	2,374,563	12.00	\$53.72	\$127,553,095.93

Prescription Drug Utilization *(continued)*

The following details the type of prescription filled, the percent that were generic, and the generic efficiency rate for the most recent rolling year. Based on paid claims..

Time Period	Generic	Brand Name, Generic Available	Brand Name	Other*	Total	Scripts Rx % Generic	Scripts Generic Efficiency Rx
Jul-07	271,171	21,081	154,738	8,761	455,751	59.50%	92.79%
Aug-07	222,547	18,149	119,509	7,410	367,615	60.54%	92.46%
Sep-07	230,985	17,394	122,785	7,477	378,641	61.00%	93.00%
Oct-07	293,351	21,354	153,473	9,883	478,061	61.36%	93.21%
Nov-07	238,200	16,852	122,469	8,447	385,968	61.71%	93.39%
Dec-07	250,180	17,108	126,901	9,332	403,521	62.00%	93.60%
Jan-08	300,336	20,957	150,653	13,260	485,206	61.90%	93.48%
Feb-08	259,506	17,181	126,979	14,609	418,275	62.04%	93.79%
Mar-08	256,241	17,288	122,358	11,657	407,544	62.87%	93.68%
Apr-08	307,840	21,253	145,098	12,674	486,865	63.23%	93.54%
May-08	238,248	16,499	111,422	9,275	375,444	63.46%	93.52%
Jun-08	249,104	17,642	116,853	9,917	393,516	63.30%	93.39%

**Includes: Over the Counter (usually items such as diabetic supplies, syringes, and test strips, etc.), Other/Unavailable or Missing (Unable to tag to a specific group).*

Prescription Drug Utilization

The following details the number of members and patients **utilizing prescription benefits** and the associated costs for the most recent rolling year. Based on Incurred Claims.

Month	Members	Patients	Scripts	Scripts Per Member	Scripts Per Patient	Allow Amt* Per Script	Net Pay Per Script	Member Cost Per Script	Patient Cost Per Script
Apr-07	242,700	153,367	400,938	1.65	3.04	\$63.20	\$52.27	\$17.72	\$28.04
May-07	242,972	155,142	417,099	1.71	3.12	\$63.49	\$52.66	\$18.26	\$28.59
Jun-07	243,692	152,814	396,529	1.62	3.07	\$64.70	\$54.02	\$17.15	\$27.35
Jul-07	243,889	154,683	400,566	1.64	3.10	\$64.72	\$54.14	\$17.16	\$27.05
Aug-07	241,422	156,158	416,122	1.72	3.14	\$64.16	\$53.85	\$17.58	\$27.17
Sep-07	242,850	151,650	391,586	1.61	3.01	\$64.35	\$54.16	\$16.26	\$26.04
Oct-07	247,352	162,496	431,281	1.74	3.16	\$64.78	\$54.72	\$17.35	\$26.41
Nov-07	248,216	161,338	422,396	1.70	3.10	\$64.21	\$54.41	\$16.51	\$25.39
Dec-07	249,079	158,349	430,554	1.72	3.12	\$64.15	\$54.49	\$16.54	\$26.02
Jan-08	250,257	162,431	440,176	1.75	3.15	\$65.21	\$54.79	\$17.51	\$26.98
Feb-08	250,321	164,534	437,024	1.74	3.06	\$64.11	\$53.99	\$16.93	\$25.76
Mar-08	250,753	163,252	441,382	1.76	3.12	\$65.11	\$55.11	\$16.97	\$26.07

**"Allow Amt" is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.*

Prescription Drug Utilization

The following Top 25 Drug Analysis is based on Rx claims incurred January through March 2008

Rank	Prev Rank	Product Name	Brand/Generic	Therapeutic Classes	Net Pay Rx	Net Pay Rx as % of All Drugs	Scripts Rx	Net Pay Per Day Supply Rx	Patients Rx
1	1	NEXIUM	Single Source Brand	Gastrointestinal Drugs	\$2,180,967	3.03%	12,178	\$4.97	5,585
2	2	SINGULAIR	Single Source Brand	Unclassified Agents	\$1,646,047	2.28%	16,461	\$2.83	8,421
3	3	ENBREL	Single Source Brand	Unclassified Agents	\$1,376,688	1.91%	677	\$59.78	322
4	4	PREVACID	Single Source Brand	Gastrointestinal Drugs	\$1,329,073	1.84%	7,180	\$5.23	3,328
5	5	CRESTOR	Single Source Brand	Cardiovascular Agents	\$1,317,491	1.83%	13,685	\$2.68	6,456
6	6	EFFEXOR-XR	Single Source Brand	Central Nervous System	\$1,314,430	1.82%	8,710	\$4.45	3,749
7	7	TOPAMAX	Single Source Brand	Central Nervous System	\$1,212,566	1.68%	4,701	\$7.63	2,238
8	9	PLAVIX	Single Source Brand	Blood Form/Coagul Agents	\$1,084,917	1.51%	7,942	\$3.85	3,490
9	10	HUMIRA	Single Source Brand	Immunosuppressants	\$1,060,330	1.47%	501	\$59.09	238
10	8	VYTORIN	Single Source Brand	Cardiovascular Agents	\$1,058,666	1.47%	11,263	\$2.54	5,504
11	11	CYMBALTA	Single Source Brand	Central Nervous System	\$1,003,748	1.39%	7,249	\$4.14	3,236
12	12	ACTOS	Single Source Brand	Hormones & Synthetic Subst	\$975,448	1.35%	5,403	\$5.00	2,444
13	13	LEVAQUIN	Single Source Brand	Anti-Infective Agents	\$875,493	1.22%	8,725	\$11.88	7,689
14	14	LEXAPRO	Single Source Brand	Central Nervous System	\$800,403	1.11%	10,110	\$2.34	4,780
15	15	LIPITOR	Single Source Brand	Cardiovascular Agents	\$788,272	1.09%	7,234	\$2.93	3,494
16	17	TRICOR	Single Source Brand	Cardiovascular Agents	\$718,000	1.00%	6,977	\$2.83	3,256
17	18	PANTOPRAZOLE SODIUM	Single Source Brand	Gastrointestinal Drugs	\$707,188	0.98%	5,971	\$3.46	3,316
18	16	TAMIFLU	Single Source Brand	Anti-Infective Agents	\$683,671	0.95%	10,893	\$10.31	10,775
19	19	LAMICTAL	Single Source Brand	Central Nervous System	\$662,704	0.92%	2,586	\$7.61	1,147
20	20	CELEBREX	Single Source Brand	Central Nervous System	\$602,600	0.84%	4,068	\$4.08	2,123
21	22	VALTREX	Single Source Brand	Anti-Infective Agents	\$593,960	0.82%	3,496	\$8.74	2,385
22	24	IMITREX	Single Source Brand	Autonomic Drugs	\$587,881	0.82%	2,846	\$14.47	1,663
23	21	ZETIA	Single Source Brand	Cardiovascular Agents	\$587,801	0.82%	6,372	\$2.48	3,145
24	23	OMEPRAZOLE	Single Source Brand	Gastrointestinal Drugs	\$560,274	0.78%	19,582	\$0.83	10,215
25	25	ADVAIR DISKUS 250/50	Single Source Brand	Hormones & Synthetic Subst	\$559,465	0.78%	2,946	\$5.50	1,974

*"Product Name" includes all strengths/formulations of a drug

Prescription Drug Utilization

In summary, the top 25 drugs represent 14.24% of total scripts and 33.72% of total Rx expenditures..

Summary	Net Pay Rx	Scripts Rx	Days Supply Rx
Top Drugs	\$24,288,082	187,756	5,966,172
All Product Names	\$72,038,136	1,318,582	36,786,758
Top Drugs as Pct of All Drugs	33.72%	14.24%	16.22%

Utilization

The top 25 clinical conditions based on incurred claims for January through March 2008.

Rank	Prev Rank	Clinical Condition	Net Pay Med	Net Pay IP Acute	Net Pay OP Med	Admits Per 1000 Acute	Days LOS Admit Acute	Visits Per 1000 Office Med	Visits Per 1000 ER	Patients Med	Net Pay Per Pat Med
1	1	Signs/Symptoms/Oth Cond, NEC	\$13,056,348	\$2,193,173	\$10,764,559	2.80	8.41	385.88	12.92	30,591	\$426.80
2	2	Respiratory Disord, NEC	\$10,451,070	\$2,953,001	\$7,477,777	2.80	2.75	131.31	18.67	10,625	\$983.63
3	3	Prevent/Admin Hlth Encounters	\$10,410,205	\$60,254	\$10,342,408	0.05	3.33	632.93	1.10	45,467	\$228.96
4	4	Coronary Artery Disease	\$9,988,271	\$6,514,902	\$3,472,111	5.16	3.52	67.36	2.61	3,572	\$2,796.27
5	5	Gastroint Disord, NEC	\$8,722,082	\$1,835,444	\$6,885,548	2.23	4.25	163.38	17.58	11,859	\$735.48
6	6	Spinal/Back Disorders, NEC	\$8,178,488	\$1,780,066	\$6,395,926	1.32	2.59	691.09	4.48	14,860	\$550.37
7	7	Osteoarthritis	\$7,020,210	\$4,418,571	\$2,587,628	3.49	3.05	195.84	0.33	7,347	\$955.52
8	8	Arthropathies/Joint Disord NEC	\$6,898,003	\$421,738	\$6,457,392	0.48	3.3	767.38	6.12	21,965	\$314.05
9	9	Infections - ENT Ex Otitis Med	\$4,954,909	\$144,990	\$4,807,671	0.57	2.33	838.98	12.92	44,325	\$111.79
10	10	Pregnancy w Vaginal Delivery	\$4,275,412	\$4,251,696	\$23,716	6.50	2.52	0.41	0.03	695	\$6,151.67
11	12	Cancer - Breast	\$4,096,590	\$208,226	\$3,886,681	0.48	2.97	47.32	0.03	1,341	\$3,054.88
12	13	Renal Function Failure	\$3,924,968	\$777,958	\$3,090,289	0.40	5.72	13.65	0.43	933	\$4,206.83
13	11	Chemotherapy Encounters	\$3,813,444	\$530,937	\$3,282,508	0.46	6.38	1.74	0	186	\$20,502.39
14	14	Cholecystitis/Cholelithiasis	\$3,085,248	\$821,090	\$2,264,158	1.19	3.29	7.49	1.39	801	\$3,851.75
15	16	Newborns, w/wo Complication	\$2,887,999	\$2,661,353	\$226,646	9.45	3.49	4.97	0.10	849	\$3,401.65
16	15	Infections - Respiratory, NEC	\$2,873,561	\$539,685	\$2,333,681	1.80	3.07	365.14	11.8	21,603	\$133.02
17	19	Hernia/Reflux Esophagitis	\$2,680,726	\$609,935	\$2,070,196	0.88	4.13	55.38	1.48	3,992	\$671.52
18	18	Infec/Inflam - Skin/Subcu Tiss	\$2,675,270	\$614,922	\$2,053,186	0.92	4.07	241.57	3.79	12,681	\$210.97
19	17	Hypertension, Essential	\$2,639,854	\$437,290	\$2,201,468	0.59	3.24	323	1.48	19,463	\$135.63
20	23	Condition Rel to Tx - Med/Surg	\$2,519,831	\$1,612,315	\$902,177	1.91	5.35	10.27	1.45	983	\$2,563.41
21	20	ENT Disorders, NEC	\$2,506,838	\$57,286	\$2,449,523	0.13	3.88	643	2.76	14,354	\$174.64
22	22	Gynecological Disord, NEC	\$2,423,065	\$312,363	\$2,110,645	0.59	2.51	80.2	1.37	6,118	\$396.06
23	21	Urinary Tract Calculus	\$2,365,764	\$338,057	\$2,027,706	0.89	2.38	17.01	4.09	1,061	\$2,229.75
24	24	Nutritional Disorders, NEC	\$2,356,391	\$383,776	\$1,972,422	0.96	2.75	197.51	1.69	16,265	\$144.87
25	N/A	Cardiac Arrhythmias	\$2,225,188	\$1,001,156	\$1,210,399	1.34	2.64	42.77	2.20	2,151	\$1,034.49

NOTE: Medical payments represent only the payments made for the specified condition.

Utilization *(continued)*

In Summary, the top clinical conditions represent more than 59.31% of total paid claims for all clinical conditions.

Summary	Net Pay Med	Net Pay IP Acute	Net Pay OP Med	Admits Per 1000 Acute	Days LOS Admit Acute	Visits Per 1000 Office Med	Visits Per 1000 ER
Top Clinical Conditions	\$127,029,736	\$35,480,184	\$91,296,421	47.39	3.61	5,925.59	110.81
All Clinical Conditions	\$214,196,992	\$61,606,373	\$152,145,501	87.54	3.9	8,847.39	219.46
Top Clinical Conditions as Pct of All Clinical Conditions	59.31%	57.59%	60.01%	54.13%	92.65%	66.98%	50.49%

Claims Lag Analysis

The following claims lag information is based on medical claims (does not include Rx) incurred April 2007 through March 2008.

Plan	Number of Medical Claims	Avg Days Lag Per Claim	% Claims Paid Within 30 Days	% Claims Paid Within 60 Days	% Claims Paid Within 90 Days
Commonwealth Enhanced	853,388	16.9	86.38%	95.31%	98.08%
Commonwealth Essential	12,213	20.3	80.97%	93.16%	96.83%
Commonwealth Premier	1,098,233	17.3	86.06%	95.03%	98.00%
Commonwealth Select	29,868	17.6	85.60%	94.53%	97.67%
~Missing	5,429	29.9	67.32%	85.61%	95.45%
All Plans	1,999,131	17.1	86.11%	95.10%	98.02%

**Missing means the claims could not be tagged to a specific plan.*

Claims Lag Analysis *(continued)*

The following claims lag information is based on all claims (**Medical and Rx**) incurred and paid during the most recent rolling year.

	Month Paid					
Month Incurred	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007
Apr 2007	\$2,140,220.39	\$1,369,212.09	\$407,501.21	\$63,281.31	\$253,896.02	\$90,585.38
May 2007	\$4,965,627.81	\$2,777,600.79	\$702,179.18	\$868,213.03	\$454,538.42	\$219,393.67
Jun 2007	\$32,839,646.69	\$6,371,563.14	\$1,889,269.24	\$1,528,118.17	\$446,253.57	\$152,809.18
Jul 2007	\$52,196,605.28	\$34,282,783.70	\$5,298,392.73	\$2,845,661.73	\$1,055,317.16	\$470,666.87
Aug 2007	N/A	\$50,987,189.56	\$33,854,734.14	\$7,485,578.35	\$1,806,083.47	\$968,455.94
Sep 2007	N/A	N/A	\$40,418,352.08	\$37,875,579.45	\$4,000,919.63	\$1,697,261.14
Oct 2007	N/A	N/A	N/A	\$58,903,772.24	\$34,411,552.02	\$4,249,760.57
Nov 2007	N/A	N/A	N/A	N/A	\$52,283,411.58	\$34,436,256.79
Dec 2007	N/A	N/A	N/A	N/A	N/A	\$47,473,914.63
Jan 2008	N/A	N/A	N/A	N/A	N/A	N/A
Feb 2008	N/A	N/A	N/A	N/A	N/A	N/A
Mar 2008	N/A	N/A	N/A	N/A	N/A	N/A

	Month Paid					
Month Incurred	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008
Apr 2007	\$22,430.43	\$58,900.31	\$82,448.21	\$18,450.18	\$62,372.32	\$30,122.33
May 2007	-\$37,742.99	\$36,845.71	\$68,532.01	\$134,876.18	\$41,817.08	\$94,527.83
Jun 2007	\$116,641.37	\$155,058.20	\$122,072.00	\$24,353.41	\$98,741.76	\$102,673.91
Jul 2007	\$292,223.23	\$386,422.19	\$6,867.34	\$63,042.75	\$66,762.83	\$190,176.60
Aug 2007	\$494,785.36	\$329,473.85	\$119,021.00	\$149,955.33	\$104,185.85	\$119,425.25
Sep 2007	\$903,063.64	\$458,424.52	\$284,472.87	\$296,846.62	\$109,760.69	\$118,976.93
Oct 2007	\$2,759,629.44	\$937,681.20	\$456,486.22	\$325,241.66	\$272,438.82	\$411,233.30
Nov 2007	\$5,703,654.03	\$1,882,676.35	\$916,916.00	\$586,870.93	\$201,997.88	\$214,619.74
Dec 2007	\$37,297,727.48	\$4,420,455.50	\$2,765,124.72	\$1,405,895.25	\$91,881.63	\$365,571.72
Jan 2008	\$54,382,641.09	\$34,877,695.93	\$5,778,835.22	\$2,224,101.68	\$1,031,728.36	\$622,072.90
Feb 2008	N/A	\$50,202,653.61	\$33,957,099.45	\$5,089,983.32	\$2,055,844.14	\$1,074,783.00
Mar 2008	N/A	N/A	\$50,610,733.26	\$36,818,848.82	\$5,613,157.47	\$1,894,949.92

Claims Distribution Based on Age/Gender

The following is based on claims incurred January through March 2008.

	Female			Male		
Age Group	Members Avg	Net Pay Med and Rx	Net Pay Per Member	Members Avg	Net Pay Med and Rx	Net Pay Per Member
Ages < 1	1,081.3	\$2,717,072.18	\$2,512.78	1,139.3	\$2,684,180.77	\$2,355.99
Ages 1-4	5,036.0	\$2,118,722.60	\$420.72	5,313.7	\$2,725,116.11	\$512.85
Ages 5-9	6,754.0	\$1,950,691.86	\$288.82	6,971.3	\$2,443,914.99	\$350.57
Ages 10-14	7,376.0	\$2,694,586.90	\$365.32	7,710.3	\$2,903,640.55	\$376.59
Ages 15-17	4,927.7	\$2,354,965.83	\$477.90	5,325.0	\$2,283,002.70	\$428.73
Ages 18-19	3,314.7	\$1,697,122.73	\$512.00	3,452.0	\$1,635,536.68	\$473.79
Ages 20-24	6,936.0	\$4,278,010.97	\$616.78	5,654.7	\$1,901,615.97	\$336.29
Ages 25-29	8,759.0	\$8,041,107.41	\$918.04	4,265.7	\$1,877,611.38	\$440.16
Ages 30-34	9,389.7	\$9,419,058.44	\$1,003.13	5,148.7	\$2,747,376.44	\$533.61
Ages 35-39	11,447.0	\$11,547,127.41	\$1,008.75	5,958.7	\$4,251,395.63	\$713.48
Ages 40-44	12,314.0	\$14,353,956.26	\$1,165.66	6,691.0	\$6,110,765.71	\$913.28
Ages 45-49	14,995.7	\$18,999,869.63	\$1,267.02	8,025.7	\$10,032,141.22	\$1,250.00
Ages 50-54	18,205.0	\$27,603,485.40	\$1,516.26	10,542.0	\$15,291,512.07	\$1,450.53
Ages 55-59	20,304.7	\$33,757,556.37	\$1,662.55	12,807.0	\$21,608,329.87	\$1,687.23
Ages 60-64	16,593.7	\$34,906,248.34	\$2,103.58	11,260.0	\$23,824,815.11	\$2,115.88
Ages 65-74	1,953.3	\$3,773,530.92	\$1,931.87	1,471.0	\$3,701,059.72	\$2,516.02

Allowed Amount Distribution

The following table shows the distribution of members for whom the amounts of charges within the specified ranges were allowed. The data appears for the years of 2005, 2006, 2007 and 2008.

Allowed Amount	2005	2006	2007	2008
less than 0.00	90	6	2	1
\$0.00 - \$499.99	50,002	54,081	53,879	104,197
\$500.00 - \$999.99	29,232	32,937	33,812	39,769
\$1,000.00 - \$1,999.99	35,407	40,353	42,378	29,929
\$2,000.00 - \$4,999.99	47,471	54,425	56,771	20,819
\$5,000.00 - \$9,999.99	26,210	30,343	32,211	7,249
\$10,000.00 - \$14,999.99	9,138	10,597	11,915	2,147
\$15,000.00 - \$19,999.99	4,055	4,720	5,452	945
\$20,000.00 - \$29,999.99	3,539	4,277	5,043	920
\$30,000.00 - \$49,999.99	2,312	2,849	3,274	582
\$50,000.00 - \$74,999.99	932	1,091	1,291	231
\$75,000.00 - \$99,999.99	390	467	519	86
\$100,000.00 - \$149,999.99	299	350	415	69
\$150,000.00 - \$199,999.99	116	116	157	23
\$200,000.00 - \$249,999.99	57	63	81	10
over \$249,999.99	74	97	120	6
Total	209,324	236,772	247,320	206,983

Summary of Enrollment and Claims

The following provides a summary of members, incurred medical claims, and incurred Rx claims for the most recent rolling year.

Time Period	Members	Net Pay Med and Rx	Net Pay Med	Net Pay Rx	Claims Paid	Claims Paid Med	Scripts Rx
Apr 2007	242,700	\$85,877,129.90	\$64,921,239.30	\$20,955,890.60	684,956	276,606	400,938
May 2007	242,972	\$91,930,514.10	\$69,964,720.59	\$21,965,793.51	712,321	287,531	417,099
Jun 2007	243,692	\$94,506,904.37	\$73,088,023.44	\$21,418,880.93	690,726	286,881	396,529
Jul 2007	243,889	\$97,154,922.41	\$75,466,420.32	\$21,688,502.09	707,196	298,943	400,566
Aug 2007	241,422	\$96,418,888.10	\$74,011,518.90	\$22,407,369.20	723,519	300,112	416,122
Sep 2007	242,850	\$86,163,657.57	\$64,956,765.75	\$21,206,891.82	660,606	262,368	391,586
Oct 2007	247,352	\$102,727,795.47	\$79,128,964.44	\$23,598,831.03	746,558	329,266	431,281
Nov 2007	248,216	\$96,226,403.30	\$73,245,370.68	\$22,981,032.62	736,103	306,507	422,396
Dec 2007	249,079	\$93,820,570.93	\$70,360,815.51	\$23,459,755.42	710,298	272,529	430,554
Jan 2008	250,257	\$98,917,075.18	\$74,800,149.72	\$24,116,925.46	764,825	316,775	440,176
Feb 2008	250,321	\$92,380,363.52	\$68,784,380.59	\$23,595,982.93	743,246	298,818	437,024
Mar 2008	250,753	\$94,937,689.47	\$70,612,461.76	\$24,325,227.71	749,074	300,140	441,382

NOTE: Includes run out data from all Carriers

The following illustrates the change in incurred claims (includes medical and Rx) by rolling year.

Time Period	Members	Total Medical and Rx Claims	Total Medical Claims	Total Rx Claims
Apr 2006 - Mar 2007	238,031	1,011,130,482	\$767,298,664	\$243,831,818
Apr 2007 - Mar 2008	246,785	1,138,978,949	\$867,230,346	\$271,748,603
% Change (Roll Yrs)	3.70%	12.60%	13.00%	11.40%